



INVESTOR PRESENTATION
Q4 2022

OUR VISION

POWERING THE WORLD'S BUSINESSES WITH THE BEST DIGITAL DATA



NOTES REGARDING THIS PRESENTATION

This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements relating to the expected performance of our business, future financial results, strategy, long-term growth and overall future prospects, our customers continued investment in digital transformation and reliance on digital intelligence and the size and our ability to capitalize on our market opportunity. Forward-looking statements include all statements that are not historical facts. Such statements may be preceded by the words “intends,” “may,” “will,” “plans,” “expects,” “anticipates,” “projects,” “predicts,” “estimates,” “aims,” “believes,” “hopes,” “potential” or similar words. These forward-looking statements reflect our current views regarding our intentions, products, services, plans, expectations, strategies and prospects, which are based on information currently available to us and assumptions we have made. Actual results may differ materially from those described in such forward-looking statements and are subject to a variety of assumptions, uncertainties, risks and factors that are beyond our control. Such risks and uncertainties include, without limitation, risks and uncertainties associated with (i) challenges associated with forecasting our revenue given our recent growth and rapid technological development, (ii) our history of net losses and desire to increase operating expenses, thereby limiting our ability to achieve profitability, (iii) challenges related to effectively managing our growth, including as a result of macroeconomic factors, (iv) intense competition in the market and services categories in which we participate, (v) potential reductions in participation in our contributory network and/or increase in the volume of opt-out requests from individuals with respect to our collection of their data, or a decrease in our direct measurement dataset, which could lead to a deterioration in the depth, breadth or accuracy of our data, (vi) our inability to attract new customers and expand subscriptions of current customers, (vii) changes in laws, regulations, and public perception concerning data privacy or change in the patterns of enforcement of existing laws and regulations, (viii) our inability to introduce new features or solutions and make enhancements to our existing solutions, (ix) real or perceived errors, failures, vulnerabilities or bugs in our platform, (x) potential security breaches to our systems or to the systems of our third-party service providers, (xi) our inability to obtain and maintain comprehensive and reliable data to generate our insights, (xii) changes in laws and regulations related to the Internet or changes in the Internet infrastructure itself that may diminish the demand for our solutions, (xiii) failure to effectively develop and expand our direct sales capabilities, which could harm our ability to increase the number of organizations using our platform and achieve broader market acceptance for our solutions and (xiv) the impact that current worldwide geopolitical and macroeconomic uncertainty, including uncertainty resulting from the COVID-19 pandemic or other public health crises and the Russian military operations in Ukraine, and any sustained economic downturn could have on our or our customers’ businesses, financial conditions and results of operations.

These risks and uncertainties are more fully described in our filings with the Securities and Exchange Commission, including in the section entitled “Risk Factors” in our Form 20-F filed with the Securities and Exchange Commission on March 25, 2022, and subsequent reports that we file with the Securities and Exchange Commission. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, we cannot guarantee future results, levels of activity, performance, achievements, or events and circumstances reflected in the forward-looking statements will occur.

Forward-looking statements represent our beliefs and assumptions only as of the date of this presentation. Except as required by law, we undertake no duty to update any forward-looking statements contained in this release as a result of new information, future events, changes in expectations or otherwise.

Certain information contained in this presentation relates to or is based on studies, publications, surveys and other data obtained from third-party sources and the Company’s own internal estimates and research. While the Company believes these third-party sources to be reliable as of the date of this presentation, it has not independently verified, and makes no representation as to the adequacy, fairness, accuracy or completeness of any information obtained from third-party sources. In addition, all of the market data included in this presentation involves a number of assumptions and limitations, and there can be no guarantee as to the accuracy or reliability of such assumptions. Finally, while we believe our own internal research is reliable, such research has not been verified by any independent source.

As a reminder, certain financial measures we use in this presentation and on our call today are expressed on a non-GAAP basis. We use these non-GAAP financial measures internally to facilitate analysis of our financial and business trends and for internal planning and forecasting purposes. We believe these non-GAAP financial measures, when taken collectively, may be helpful to investors because they provide consistency and comparability with past financial performance by excluding certain items that may not be indicative of our business, results of operations, or outlook. However, non-GAAP financial measures have limitations as an analytical tool and are presented for supplemental informational purposes only. They should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. Free cash flow represents net cash provided by (used in) operating activities less capital expenditures and capitalized internal-use software costs. Normalized free cash flow represents free cash flow less capital investments related to the Company’s new headquarters, payments received in connection with these capital investments and deferred payments related to business combinations.. Non-GAAP operating income (loss), non-GAAP gross profit, non-GAAP research and development expenses, non-GAAP sales and marketing expenses and non-GAAP general and administrative expenses represents the comparable GAAP financial figure, less share-based compensation, adjustments and payments related to business combinations, amortization of intangible assets and certain other non-recurring items, as applicable and indicated in the above tables.

In accordance with SEC regulations, you can find the definitions of these non-GAAP measures, as well as reconciliations to the most directly comparable GAAP measures in this presentation and in our earnings press release and supplemental financials, which can be found on our investor relations website at ir.similarweb.com.

This presentation is a high-level summary of our Q3 2022 financial results. For more information please refer to our press release dated February 14, 2023 and filings with the SEC.

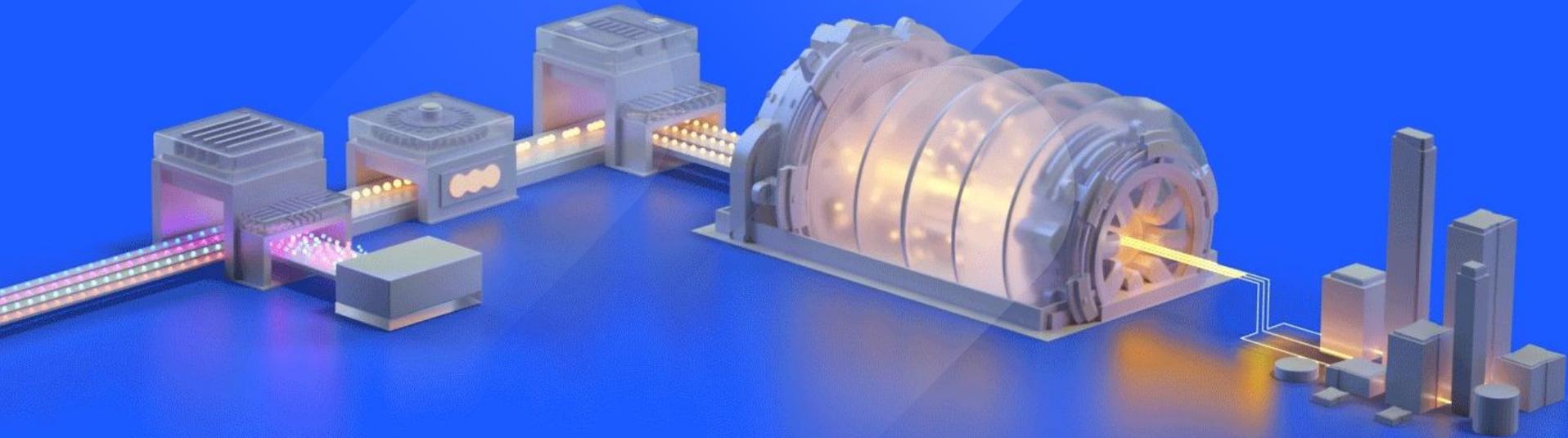
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OUR DIGITAL DATA

Similarweb reveals what is happening online and provides every business with the best digital data & analytics to build strategy, optimize customer acquisition and increase monetization.

OUR MISSION

To **create the most** accurate, comprehensive, and **actionable** digital data, so every business can win their market.



Similarweb by the numbers

~1,074 employees &
contractors in 14 offices

Givatayim	Boston	Munich
New York	Paris	Northern Virginia
London	San Francisco	Miami
Tokyo	Sydney	Kyiv
Sao Paulo	Singapore	



Q4 2022

↑ **\$51.3M**
Q4 2022 revenue

▮ **28%**
Q4 2022 YoY
revenue growth

☰ **\$201M**
Q4 2022 ARR

▮ **120%**
Q4 2022 Dollar-based net
retention rate
(for \$100K+ ARR customers)

EFFICIENT & PREDICTABLE BUSINESS MODEL

▮ **99%**
Of revenue is ARR

↑ **78.6%**
Q4 2022 gross margin

▮ **39%**
Of ARR is multi-year
subscriptions

☰ **55%**
Of total ARR from \$100K+
ARR customers

All financial metrics are as of the period ended December 31, 2022

Note: We calculate our NRR as of a period end by starting with the ARR from the cohort of all customers as of 12 months prior to such period-end, or the Prior Period ARR. We then calculate the ARR from these same customers as of the current period-end, or the Current Period ARR. Current Period ARR includes any expansion and is net of contraction or attrition over the last 12 months, but excludes ARR from new customers in the current period. We then divide the Current Period ARR by the Prior Period ARR to arrive at the point-in-time NRR. We then calculate the average of the trailing four quarter point-in-time NRR to arrive at the NRR.

Similarweb Digital Data Powers Business Decisions



Understand market trends and dynamics



Monitor competitors and react instantly



Benchmark performance to enable continuous improvement



Improve customer conversion rates and loyalty



Discover new markets, prospects, revenue streams



Be the first to react to change and opportunity

We convert comprehensive digital data into timely and actionable market insights that provide our customers (and us) with substantial advantages

1 DATA COLLECTION

We collect billions of signals from four categories of sources

Contributor Network

First Party Direct Measurement

Public Data

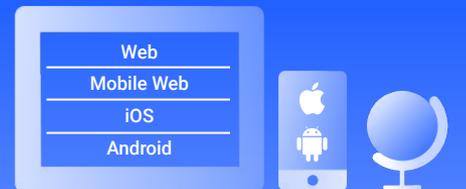
Partnerships

we aggregate anonymous behavioral data from participants across devices

millions of websites and apps share their first-party analytics with us

our engine that captures and indexes public data from the open web on millions of websites and apps

our global network of partners helps us collect "digital signals" across the digital world



2 DATA TRANSFORMATION

Our AI engine refines data signals into a unified and comprehensive picture of the digital world that is proprietary to Similarweb.

Machine Learning & Predictive Models



Similarweb Digital Data

3 DATA DELIVERY

We deliver Similarweb Digital Data via SaaS Solutions, DaaS integrations and Advisory Services - actionable insights that power critical decisions.



Entities

- Websites
- Apps
- Companies
- Lines of business
- Industries



Search & Content

- Keywords
- Topics
- On-site search
- SERP insights
- Landing pages



Behavior

- Traffic
- Traffic sources
- Engagement
- Conversion



Advertising

- PPC spend
- Text Ads & PLAs
- Creative & video ads
- Ad networks
- Publishers



eCommerce

- SKUs
- Brands
- Categories
- Cross-shopping



Audience

- Demographics
- Interests
- Loyalty
- Cross Device



Leads

- Contacts
- Firmographics
- Technographics



Marketing channels

- Search
- Referrals
- Direct
- Email
- Social
- Display

Similarweb Digital Data complements internal operational systems with actionable external perspectives that power business decision making

How is my company operating?

SALES



MARKETING



ANALYTICS



E-COMMERCE



How are competitors performing and markets behaving?

similarweb



Sales Intelligence

Product walkthrough

similarweb



Digital Marketing Intelligence

Product walkthrough

similarweb



Digital Research Intelligence

Product walkthrough

similarweb



Shopper Intelligence

Product walkthrough

Our proprietary Similarweb Digital Data drives a variety of valuable use cases across many different market segments

Similarweb Solution

Use Cases

Players

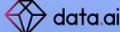
 **Similarweb Digital Research Intelligence** 

Grow market share

- Benchmarking
- Company Research
- Market Research
- Audience Analysis
- Consumer Journey Tracking
- App Intelligence

 **Quantcast**

 **comscore**

 **data.ai**

[LEARN MORE →](#)

 **Similarweb Digital Marketing Intelligence** 

Grow user acquisition

- Competitive Analysis
- Keyword Research
- Affiliate Research
- Ad Research & Media Buying

 **SERPSTAT**
Research Competitors in Search

 **ahrefs**

 **SEMRUSH**

[LEARN MORE →](#)

 **Similarweb Shopper Intelligence** 

Grow eCommerce sales

- Consumer insights & demand
- Shopper search trends
- Shopper Behavior

 **GfK**

 **Nielsen**

 **EDGE[^]**
BY ASCENTIAL

[LEARN MORE →](#)

 **Similarweb Sales Intelligence** 

Grow pipeline & win rates

- Lead Generation
- Sales Engagement
- Lead Enrichment
- Fraud Detection

 **Clearbit**

 **zoominfo**

 **DataFox**

[LEARN MORE →](#)

 **Similarweb Stock Intelligence** 

Grow investment ROI

- Digital Alternative Data Set
- Digital Stock Signals & Insights
- Pre-earnings Estimation Reports

 **yipitDATA**

 **Quandl**

 **Second Measure**

[LEARN MORE →](#)

Similarweb Digital Data helps businesses create strategy, acquire customers and increase monetization.



MARKETING

- More keywords
- More affiliates
- More campaigns
- More channels
- Better targeting



E-COMMERCE

- More purchases
- More consumer insights
- More volume
- Better conversion



SALES

- More leads
- More wins
- Better proposals
- Better customer relationships



STRATEGY & BUSINESS

- More markets & product lines
- More market share
- Better optimization
- Better visibility

Our solutions are recognized market leaders

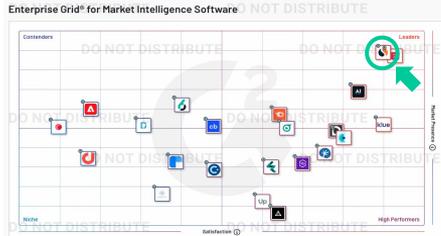
CORE PLATFORM PAGE



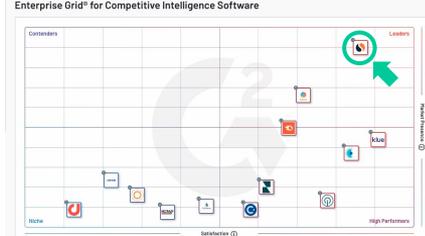
635 total reviews

105 reviews in Q4 ↑ 20%

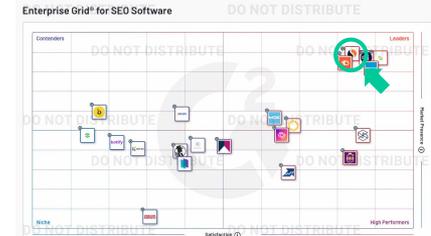
MARKET INTELLIGENCE



COMPETITIVE INTELLIGENCE

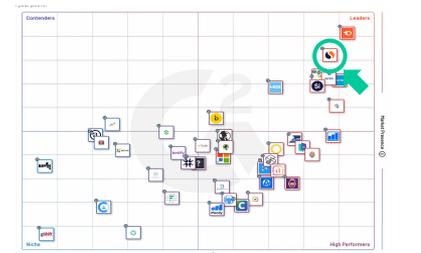
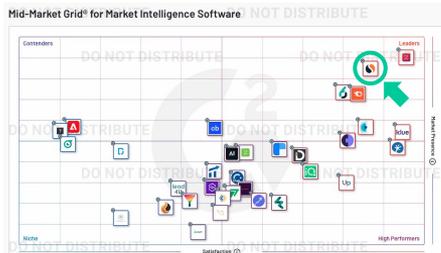


SEO



ENTERPRISE

MID-MARKET



Source: G2

Our durable growth strategy

We see an expanding market ahead with strong potential and multiple entry points to further expand our business opportunity.



Our current market opportunity



~850,000
Total Number of Companies
with > 100 employees¹

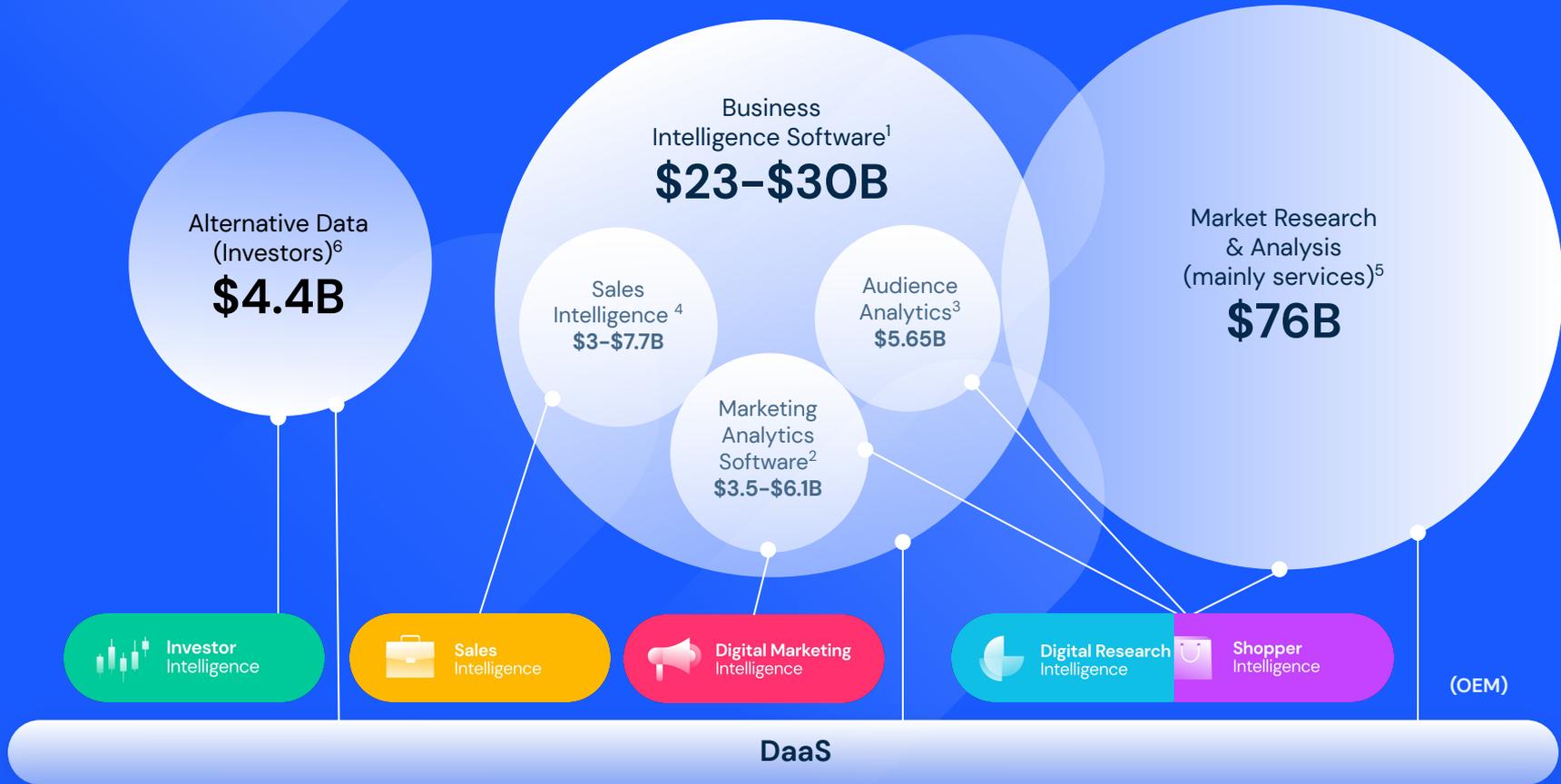


~\$52,000
Average Revenue Per Customer



\$44 bn TAM

Longer term our market opportunity potential expands



Over 4,000 customers rely on us to deliver game-changing insights

CONSUMER GOODS



RETAIL



FINANCIAL SERVICES



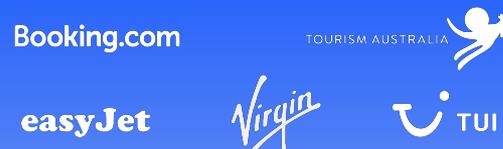
PHARMA



MEDIA



TRAVEL



TECHNOLOGY



AGENCIES & CONSULTING



OTHER



Independent Assessment of ROI Potential

We commissioned an independent study from Forrester Consulting which showed our solutions drove a return on customer investment of 642% between 2018 and 2021 for one of our customers who used our Research Intelligence and Marketing Intelligence solutions.

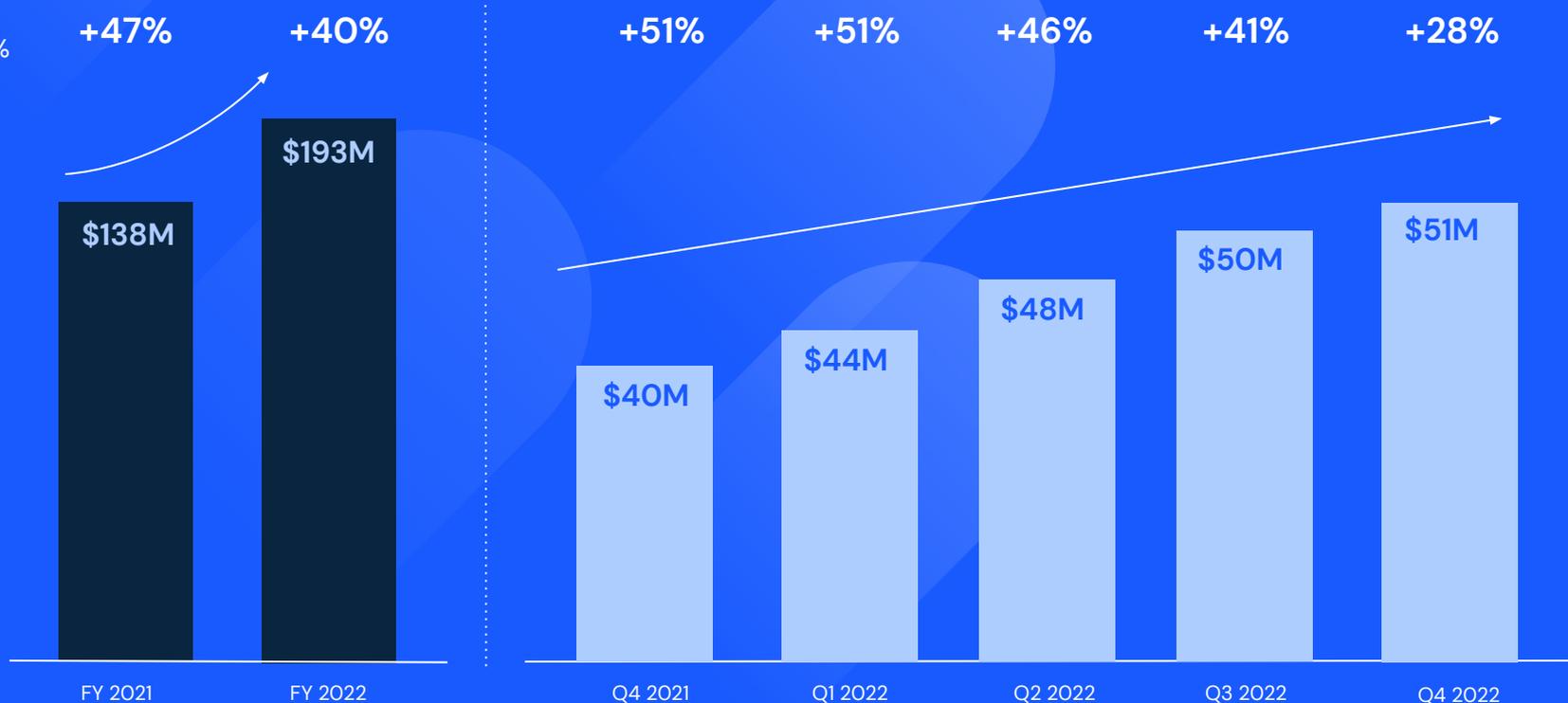
[SEE THE FULL REPORT](#)



Strong revenue growth

Our large addressable opportunity and efficient business model have led to growing revenue sequentially and year-over-year.

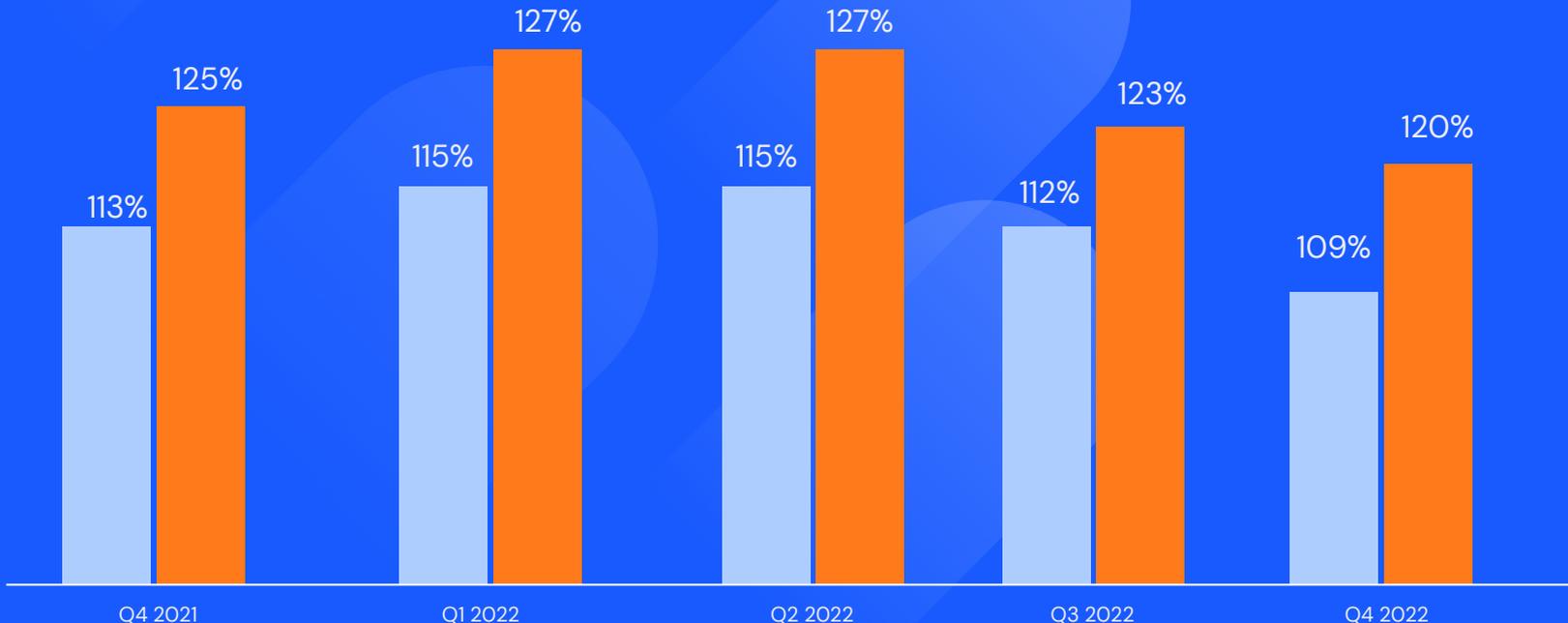
YoY
growth %



Consistent NRR Performance

Our dollar-based net retention rate (NRR) over time indicates increased usage and the purchase of more than one solution by customers. In our largest and most strategic customer segment, customers that generate over \$100K in ARR, our ability to retain and grow our business consistently exceeds our NRR for all customers.

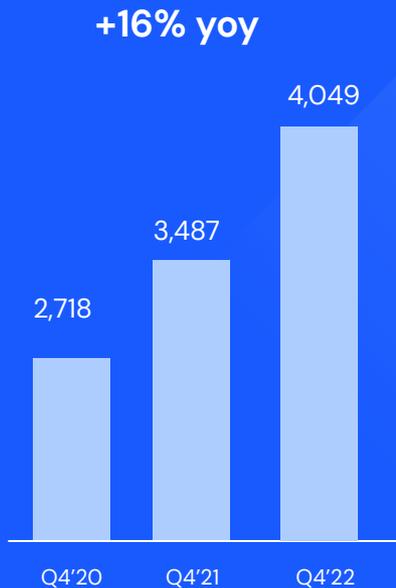
- All Customer
- \$100K+ ARR Customers



Positive momentum in customer and account growth

As we continue to strengthen our value proposition and expand our platform, we are not only scaling new customer acquisition, but also increasing average deal sizes.

of total customers



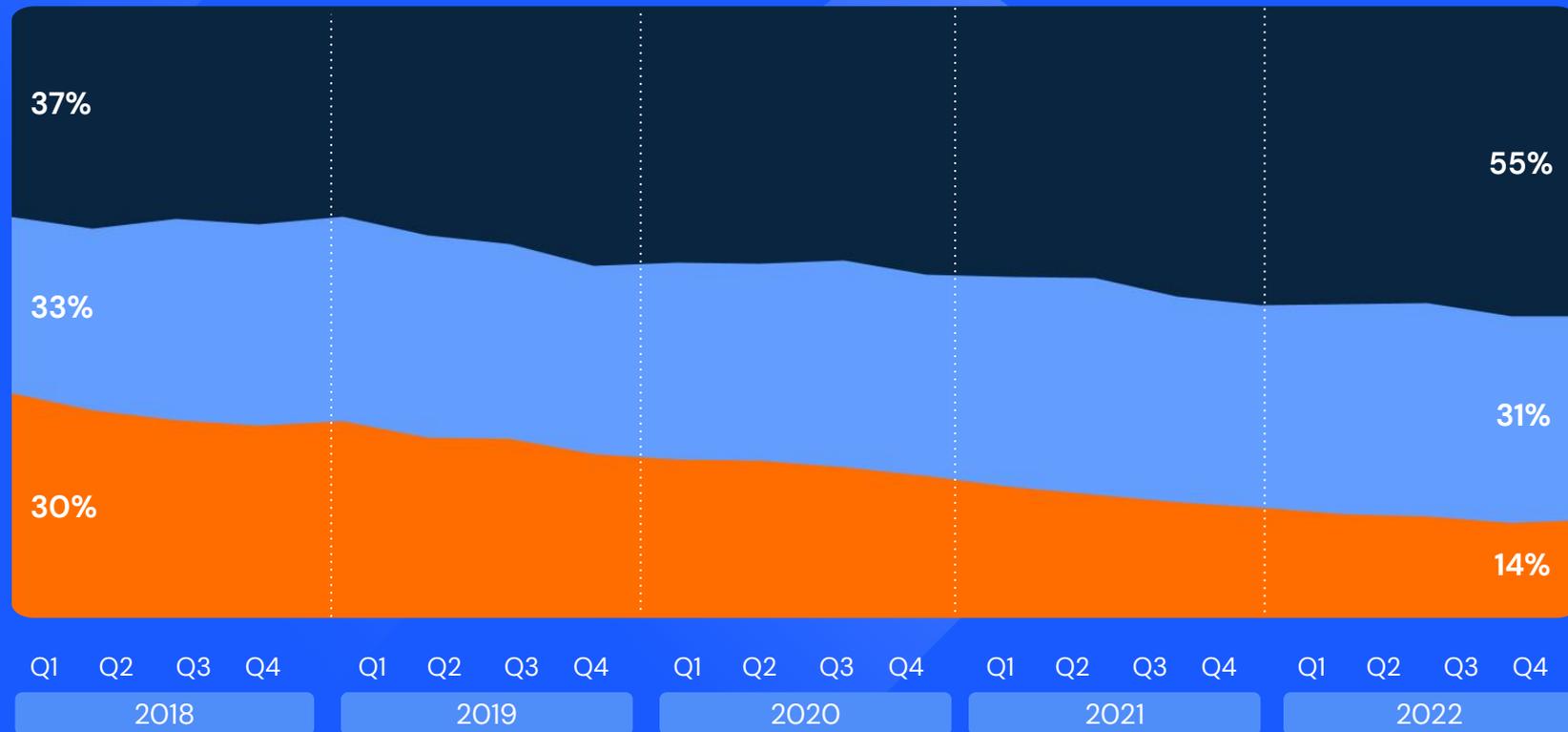
of \$100K+ ARR customers



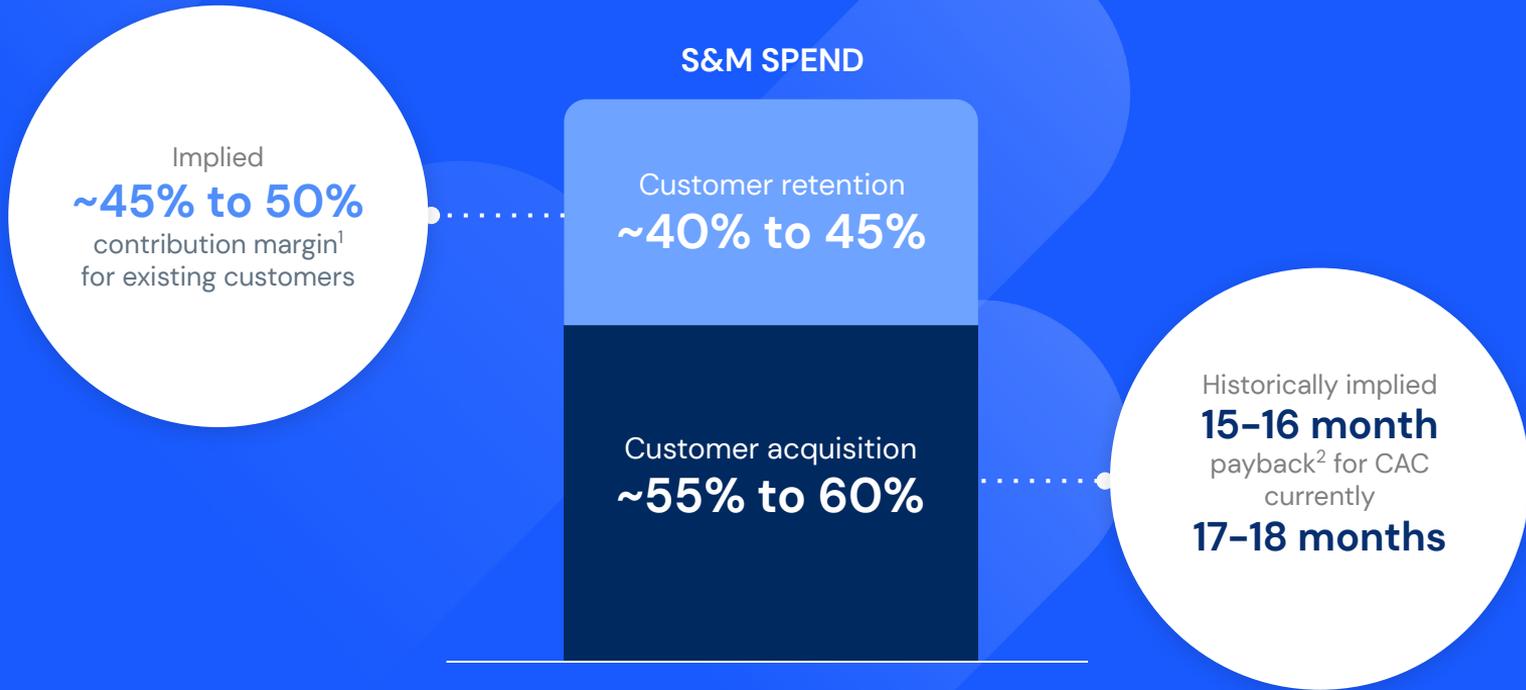
Average annual revenue per customer (\$K)



Strength of our revenue base



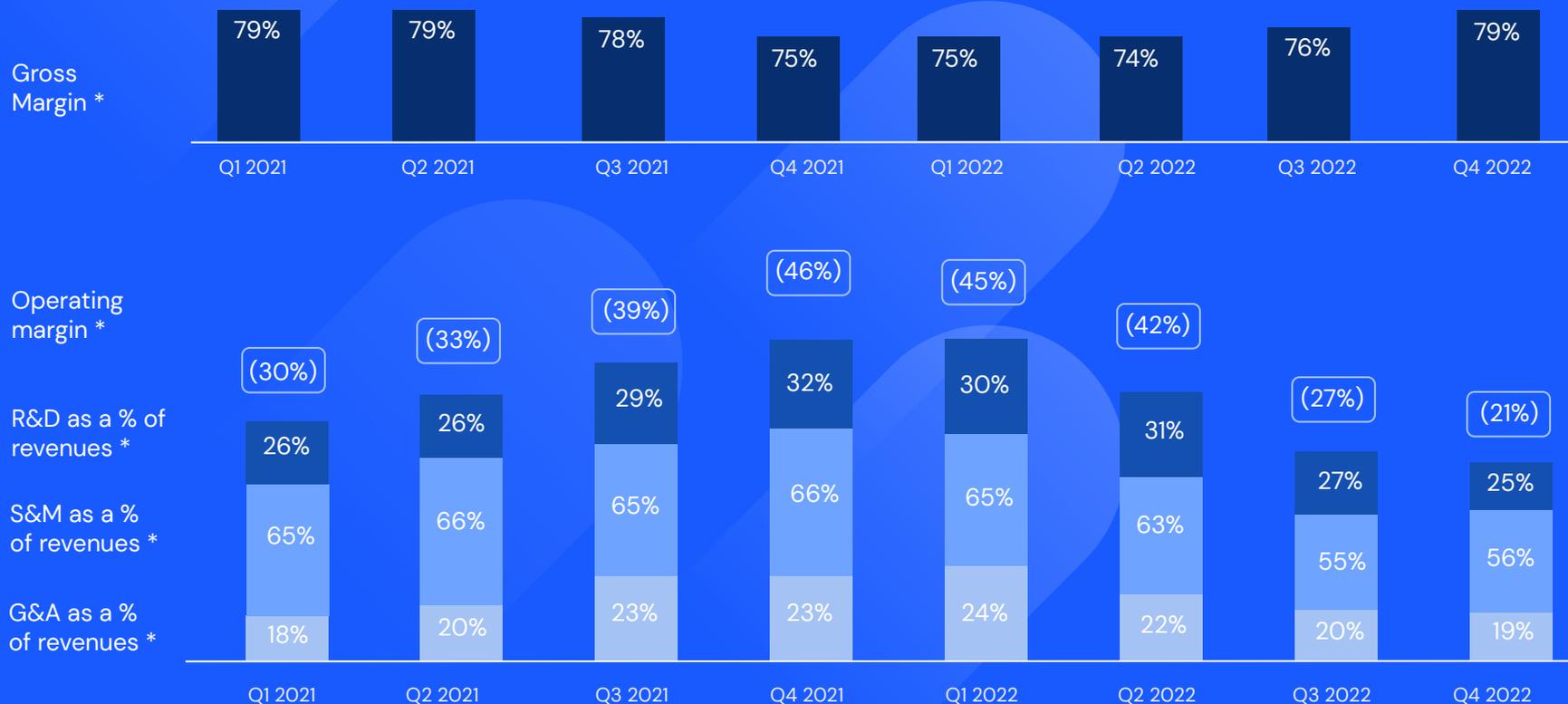
Attractive Sales Efficiency and CAC Payback Metrics Historically



Margin and cash flow performance



Disciplined execution accelerating path to profitability



* Non-GAAP financial measures, see Appendix

Long Term Model

<i>% of revenue</i>	2019A	2020A	2021A	2022A	Target Model
Gross Margin	71%	77%	78%	76%	85%
Research & Development	22%	22%	28%	28%	15%
Sales & Marketing	55%	57%	65%	60%	35%
General & Administration	14%	14%	21%	21%	10%
Operating Margin	(20%)	(16%)	(38%)	(33%)	25%
Normalized Free Cash Flow Margin	(16%)	(5%)	(22%)	(32%)	30%

Non-GAAP

Led by a focused and experienced team



Or Offer
Co-Founder &
Chief Executive Officer

similarweb



Benjamin Seror
Co-Founder &
Chief Product & Marketing Officer

similarweb



Jason Schwartz
Chief Financial Officer

Shopping.com* NICE ACTIMIZE



Lior Degani
Chief Operation Officer

similarweb



Maoz Lakovski
Chief Business Officer

similarweb



Sigal Gill More
Chief People Officer

Microsoft NICE®



Carrie Lazorchak
Chief Revenue Officer

NUANCE NICE®



Ron Asher
Chief Technology Officer

bond IBM



Uri Perelman
Chief M&A and Corporate
Development Officer

NICE®

We are just getting started



A leading platform
addressing
mission-critical
use cases



Strong progress
towards sustained
positive free cash flow



Attractive sales
efficiency and CAC
payback metrics



Innovative technology
based on durable
barriers to entry



Early innings of a
multi-billion \$ TAM
opportunity



Founder-led leadership
team and exceptional
culture

Appendix – GAAP to non-GAAP reconciliation (USD thousands)

	FY'20	FY'21	FY'22
Reconciliation of non-GAAP gross profit			
Gross profit	72,069	105,916	139,960
Stock-based compensation expense	(40)	(211)	(599)
Retention payments related to business combinations	0	0	(1,785)
Amortization of intangible assets related to business combinations	0	(608)	(4,487)
Non-GAAP gross profit	72,109	106,735	146,866
Non-GAAP gross margin	77%	78%	76%
Reconciliation of non-GAAP operating loss			
Operating loss	(19,674)	(66,107)	(87,856)
Stock-based compensation expense	(4,800)	(11,171)	(16,987)
Non-recurring fees related to initial public offering	0	(1,214)	0
Retention payments related to business combinations	0	(1,103)	(2,342)
Amortization of intangible assets related to business combinations	0	(608)	(4,573)
Non-recurring expenses related to termination of lease and other agreements	0	(315)	(1,174)
Earnout fair value adjustments related to business combinations	0	0	884
Capital gain related to sale of operating equipment	0	0	127
Non-GAAP operating loss	(14,874)	(51,696)	(63,791)
Non-GAAP operating margin	-16%	-38%	-33%

	Q4'21	Q4'22
	29,460	38,920
	(90)	(136)
	0	(129)
	(608)	(1,168)
	30,158	40,353
	75%	79%
	(22,903)	(14,594)
	(3,315)	(3,572)
	0	0
	(289)	(351)
	(608)	(1,202)
	(315)	(197)
	0	1,628
	0	0
	(18,376)	(10,900)
	-46%	-21%

Appendix – GAAP to non-GAAP reconciliation (USD thousands)

	FY'20	FY'21	FY'22	Q4'21	Q4'22
Reconciliation of free cash flow					
Net cash used in operating activities	(3,760)	(27,625)	(46,065)	(10,369)	(12,260)
Purchases of property and equipment, net	(748)	(2,311)	(28,257)	(896)	(1,932)
Capitalized internal-use software costs	(387)	(502)	(2,919)	(274)	(424)
Free cash flow	(4,895)	(30,438)	(77,241)	(11,539)	(14,616)
<i>Free cash flow margin</i>	-5.2%	-22.1%	-40.0%	-28.7%	-28.5%
Cash payments related to new headquarters	0	0	27,221	0	1,781
Cash received in connection with purchase of property and equipment	0	0	(12,124)	0	(932)
Deferred payments in relation to business combinations	0	0	413	0	0
Normalized free cash flow	(4,895)	(30,438)	(61,731)	(11,539)	(13,767)



INVESTOR PRESENTATION
Q4 2022

THANK YOU

